

PORT OF *Sacramento*

Cusly T.

January 24, 2006

Alan Lloyd
Environmental Protection Agency
1001 I Street
Sacramento CA 95814

Dear Mr. Lloyd:

RE: PORT OF SACRAMENTO CAPITAL REQUIREMENTS

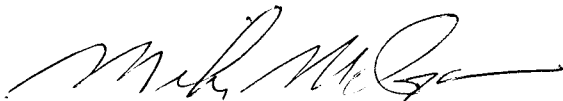
The Central Valley of California is connected to the world via the inland Port of Sacramento. The Port is situated in West Sacramento, 80 miles from the Golden Gate Bridge, connected to the Pacific Ocean by a man-made channel that accommodates deep sea shipping. Historically, the Port has transshipped agribusiness and forestry products, and more recently is serving to import building materials that fuel the California economy.

International trade, which is predicted to triple in coming years, will demand optimized facilities and services from our California port system. Each of our eleven commercial ports will become even more important as intermodal transportation centers for goods movement. Therefore, it is prudent to maximize a partnership between the State of California and its ports, including systematic investments in facilities.

As leadership in the State of California considers its various options for infrastructure investments, the Port of Sacramento respectfully submits its list of capital requirements for your consideration. These strategic investments at the Port of Sacramento will improve the quality of facilities and upgrade the level of service for goods movement, create job retention and expansion, and contribute to the general economic welfare of our region. Reaching the Central Valley using waterborne goods movement also has the added benefits of congestion relief on Interstate 80 and reduction in air emissions.

We respectfully ask your consideration of the enclosed list of capital needs for the Port of Sacramento. Should you need any additional information, please be encouraged to call at the letterhead numbers.

Sincerely,



Mike McGowan
Chair, Sacramento – Yolo Port District

**CAPITAL IMPROVEMENTS
PORT OF SACRAMENTO
JANUARY, 2006**

Priority	Project	Description	Cost
1	Harbor Boulevard Improvements	Improve and expand the connectivity between the Port and Interstate 80 by widening the on-quarter mile roadway and ramps that link the Port to the California interstate highway system	\$15M City \$41M Total
2	Barging	The establishment of a barge service between Oakland and Sacramento that would reduce congestion on the Interstate 80 corridor and reduce emissions, especially PM and NOx.	\$70,000,000
3	Roofing Of Storage Facilities	The replacement and repair of roofs on two transit sheds, and two bulk warehouses to protect cargo from weather and water damage	\$2,500,000
4	Conveyor Improvements	Strategic improvements to conveyors that would improve the efficiency, productivity and reliability of moving cargo from ships to storage area.	\$1,000,000
5	Dock Fendering	Repair and replacement of fender piling along 3,000 feet of docks to protect ships, and protect wharves and piers to extend dock longevity	\$3,000,000
6	New Warehouse	Construction of a new warehouse to accommodate seasonal export requirements for bagged rice, lumber and other break bulk products that need to be protected from the weather	\$5,000,000
7	Fertilizer Warehouse	Construction of a state-of-the art fertilizer storage and bagging warehouse to expand storage capacity and improve productivity	\$10,000,000
8	Channel Deepening	Completion of the 43- mile deepening of the Sacramento Deep Water Channel to 35 feet, which would increase depth by 15% and increase cargo carrying capacity on ships by 40%. Environmental benefits inure to the region by carrying more cargo on a single ship.	\$18,000,000
9	Rail Relocation	The relocation of rail that transits sensitive redevelopment areas of the City, so that industry and business obtains more efficient rail service	\$50,000,000